



NOTE

28 July 2008

To whom it may concern

From: The Danish Agricultural Council

Recommendation for the High Level Group on the Competitiveness of the Agro-Food Industry: Environment policy

Environmental regulation sets very important framing conditions for development in the food industry and throughout the entire product chain both when speaking of farming and the subsequent processing of food products.

With the growing demand for food it is a challenge to increase the European production on a sustainable basis – and also to ensure long-term competitiveness of the food industry.

The competitiveness and development of the sector requires an increased production while at the same time a high level of environment protection has to be maintained. The High Level Group needs to initiate a stronger integration and coherence of the present and coming environmental regulation and policies into other regimes, especially agriculture policies and industry policies.

Sustainable food production

Today the European agro-food industry wants to and is able to produce sustainable food products. It is, however, essential that the competitiveness of the food industry is built on a sustainable foundation - therefore the High Level Group must ensure that the Commission recognizes and supports the efforts of the food industry to produce sustainable food products. The High Level Group ought to initiate a programme of financial aid to development of knowledge, instruments and technology throughout the entire product chain. A more holistic approach in research and innovation is extremely important. Likewise the High Level Group should initiate regulation that induces the food industry to develop and produce sustainable food products. The European action plans on sustainable production and consumption and

Sustainable Industrial Policy play an important role for the coming work together with the Integrated Product Policy.

The IPPC-directive

The IPPC-directive on industrial emissions provides a framework for the authorisation of the industrial and agricultural plants that should be based on continuous development in best available technologies (BAT). Still - it is of greatest importance that the requirements are flexible enabling the industry to operate and develop and that focus on the administrative burden and better regulation is kept.

Climate and energy strategy

The High Level Group must ensure that the new climate and energy strategy of Europe will not reduce the competitiveness of the food industry – that is why we recommend benchmarking of European climate strategy with a climate strategy of USA, Australia, Brazil and Canada.

Energy

The liberalised energy markets are working neither efficiently nor satisfactorily –including the power market. The infrastructure needs to be expanded across Europe and other economical, political and technical barriers must be dismantled in order to generate competitive price levels on energy. Europe needs improved control of energy prices and the prices for transmission of energy.

Climate

EU has defined strict quotas for CO₂ reductions and energy efficiency which contribute to reduce the competitiveness for European food producers resulting in problems for Denmark and other countries, and it is therefore important that the High Level Group emphasizes the need for ensuring a global climate agreement on reductions that includes globalization of the carbon market.